Message Text

SECRET

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INFO OCT-01 EUR-12 EA-07 IO-13 ISO-00 CIAE-00 DODE-00 PM-04 H-01 INR-07 L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 AID-05 IGA-02 SAJ-01 EB-08 OMB-01 TRSE-00 ACDA-07 OES-06 MC-02 COME-00 ERDA-05 NRC-05 DHA-02 AF-08 CIEP-01 FEA-01 AGRE-00 EPA-01 /143 W

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R 171350Z FEB 77 FM AMEMBASSY NEW DELHI TO SECSTATE WASHDC 1327 INFO AMEMBASSY DACCA AMEMBASSY MOSCOW USLO PEKING USMISSION GENEVA AMEMBASSY ISLAMABAD

SECRETNEW DELHI 2371 E.O. 11652: GDS TAGS: PFOR, OVIP, IN, US

- SUBJECT: CONVERSATION WITH INDIAN FONSEC
- 1. IN COURSE OF HOUR-LONG CONVERSATION FEB 14 WITH NEA DEPY ASST. SECY DUBS, NSC THORNTON, AND NEA/INS KUX, INDIAN FON SEC MEHTA NOTED THAT CLIMATE OF OPINION IN INDIA AND US WAS MUCH IMPROVED FOR INDO-US RELATIONS. THERE WERE FEW MAJOR PROBLEMS TO SPOIL THE ATMOSPHERE AND WHILE INDIAN ELECTION MIGHT LEAD TO SOME STATEMENTS WHICH MIGHT BE MISUNDERSTOOD, HE HOPED THERE WOULD NOT BE TOOMUCH OF THIS.
- 2. US ARMS SALES TO PAKISTAN HAD CAST MAJOR SHADOW ON BILATERAL RELATIONS IN PAST AND PROVISION OF ANY STRIKE AIRCRAFT TO PAKISTAN IN THE FUTURE WOULD POSE DIFFICULT PROBLEM. FONSEC MADE IT CLEAR HE WAS REFERRING TO OFFENSIVE CAPABILITY OF A-7 AND NOT TO AIRCRAFT IN GENERAL. IT WOULD MAKE NO DIFFERENCE WHETHER THERE WERE FEW OR MANY, THE OFFENSIVE NATURE OF THE PLANE SECRET

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WAS THE ISSUE AT STAKE FOR THE GOI.

3. MR. DUBS NOTED THAT THE ISSUE OF NON-PROLIFERATION WAS A VERY SERIOUS ONE FOR THE US AND A HIGH PRIORITY FOR THE NEW ADMINISTRATION. PAKISTAN'S INTEREST IN PROCURING A REPROCESSING PLANT WAS OF GREAT IMPORTANCE AND THERE WAS LITTLE DOUBT THE GOP DECISION HAD BEEN INFLUENCED BY KNOWLEDGE INDIA WAS DEVELOPING A NUCLEAR CAPABILITY. SOME TRADE-OFF MIGHT BE NECESSARY AND THERE SEEMED LITTLE DOUBT THAT PAKISTAN NEEDED TO DO SOMETHING TO UPGRADE ITS AIRFORCE. NEVERTHELESS THE USG WAS CONSCIOUS OF THE IMPACT ANY DECISION ON AIRCRAFT WOULD HAVE ON INDIAN PERCEPTIONS OF THE US AND OF THE US ATTITUDE TOWARD THE SUBCONTINENT. THE US FELT THAT IT SHARED A JOINT INTEREST WITH INDIA IN NON-PROLIFERATION AND WHAT THE USG SHOULD DO TOWARD THIS END POSED A GENLINE DILEMMA

- 4. MR. DUBS ASKED THE FONSEC WHAT THE INDIAN REACTION WOULD BE TOWARD A CTB TREATY. FONSEC RESPONDED ONLY, "WHAT DO THE SOVIETS SAY?" CONTINUING ON THIS SUBJECT AFTER A SHIFT IN THE CONVERSATION, MEHTA SAID THAT HE WOULD FRANKLY LIKE TO NOTE THAT THE GOI DID NOT LIKE THE PRIVILEGED POSITION OF THE FIVE NUCLEAR POWERS. NOTING THE PEACEFUL CHARACTER OF THE INDIAN NUCLEAR PROGRAM, HE SAID THAT NEVERTHELESS PARTLY FOR POLITICAL AND PARTLY FOR NATIONALISTIC REASONS INDIA DID NOT SEE WHY IT SHOULD BE INHIBITED IN A PARTICULAR MANNER IN THE NUCLEAR FIELD. HE ACCEPTED THE CARTER ADMINISTRATION'S INTEREST IN ARRESTING PROLIFERATION BUT ASKED THAT THE US LOOK OBJECTIVELY AT INDIA'S POLICIES OF NOT PEDDLING NUCLEAR TECHNOLOGY ABORAD AND OF TAKING GREAT CARE IN NUCLEAR COOPERATION WITHOTHER COUNTRIES. MR. DUBS AND DR. THORNTON SAID THIS WAS APPRECIATED BY THE USG.
- 5. MR. DUBS OBSERVED THAT THE TARAPUR NUCLEAR FUEL SUPPLY ISSUED REMANED UNSOLVED. THE US WAS, HOWEVER, CONSCIOUS OF THE IMPORTANCE OF TIME IN REACHING A SOLUTION AND THAT THE PROBLEM WAS UNDER ACTIVE CONSIDERATION WITHIN THE NEW ADMINISTRATION. THE FONSEC SAID THAT TARAPUR WAS "A MOST DIFFICULT PROBLEM". SECRET

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THE POWER PLANT SUPPLIED 25 PERCENT (SIC) O THE ELECTRIC POWER FOR MAHARASHTRA AND GUJRAT. A "JOLT" TO POWER SUPPLY AVAILABILITY WOULD BE A "JOLT" TO INDO-US BILATERAL RELATINS.

- 6. THE FONSEC OBSERVED THAT HUMAN RIGHTS ISSUES NOW SEEMED TO BE OUT OF THE WAY AS A BILATERAL PROBLEM. HE REALIZED THAT THERE MIGHT BE SOME COMMENTS AND RITICIMS ABOUT THE INDIAN ELECTIONS IN THE US PRESS BUT HOPED THERE WOULD BE NO EXAGGERATIONS WHICH MIGHT HAVE AN EFFECT ON INDIAN ATTITUDES.
- 7 TURNING TO SUBCONTINENTAL ISSUES IN RESPONSE TOMR. DUBS REMARKS THAT THE SUBCONTINENT WAS OF CONCERN TO THE US AND ITS STABILITY OF IMPORTANCE, THE FONSEC OBSERVED THAT THREE-QUARTERS OF HIS TIME SINCE HE HAD ENTERED INTO HIS PRESENT JOB HAD BEEN SPENT ON SUBCONTINENTAL PROBLEMS. HE HOPED THAT FORWARD MOVEMENT TOWARD RECONCILIATION AMONG THE COUNTRIES IN THE AREA WOULD CONTINUE. NOTING AS POSITIVE STEPS THE INDO-PAKISTANI DISCUSSIONS ON THE SALAL DAM AND THE EXPANSION OF BILATERAL TRADE, HE NEVERTHELESS OBSERVED THAT THE ASSUAGING OF MISCONCEPTIONS ON

BOTH SIDES WAS A SLOW PROCESS. IT WAS IMPORTANT APPREHENSIONS

NOT BE AGGRAVATED AND IT WAS NOT CERTAIN THAT ALL MAJOR POWERS, FOR EXAMPLE CHINA, WANTED TO SEE THE PROCESS CONTINUE. THOUGH SINO-INDIAN RELATIONS WERE GRADUALLY IMPROVING, IT WAS UNCLEAR FROM CHINESE ACTIVITIES IN BANGLADESH AND PAKISTAN WHETHER THERE WAS AN EQUAL DESIRE FOR STABILITY IN THESE AREAS. IT WAS FROM THIS CONSIDERATION THAT INDIAN CONCERN ABOUT THE PROVISION OF OFFENSIVE WEAPONS INTO THE AREA AROSE, HE SAID.

8. FONSEC MEHTA SAID THAT INDIA WAS PLAYING A ROLE IN DEFUSING NORTH/SOUTH TENSIONS THROUGH PROVIDING MANPOWER SKILLS AND TECHNOLOGY FOR DEVELOPMENT TO THE COUNTRIES OF AFRICA AND THE ME. IF THE SUBCONTINENT WAS STABLE AND INDIANINDUSTRIAL AND TECHNOLOGICAL CAPABILITIS CONTINUED TO DEVELOP, THIS WOULD LEAD TO NEW DIMENSIONS IN INDIAN FOREIGN POLICY IN THESE AREAS. SECRET

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INDIA WAS BOTH A RAW MATERIAL IMPORTER AND AN EXPORTER OF MANUFACTURED GOODS. DEVELOPING COUNTRY ECONOMIC POLICIES POSED CERTAIN PROBLEMS, THEREFORE, FOR INIA BUT INDIA BELIEVED IT WAS EXTREMELY IMPORTANT THAT THE POLITICAL STRENGTH OF THE "GROUP OF 77" NOT BE SPLINTERED. INDIA HAD TO WORK IN AND WITH THIS GROUP. MR. DUBS OBSERVED THAT IN THE FUTURE INDIA AND THE US WOULD HAVE MORE AND MORE IN COMMON. INDIA HAD ANINTERNATIONAL ROLE TO PLAY IN SOLVING ENERGY PROBLEMS, EXPLOITING THE RESOURCES OF THE SEA, DEALING WITH POLLUTION, POPULATION, AND WORLD FOOD SUPPLIES. MORE PROGRESS COULD BE ACHIEVED BY WORKING TOGETHER RATHER THAN THROUGH CONFRONTATION. THE US WAS PLEASED AT THE DEVELOPMENT OF INDIAN ECONOMIC LINKD WITHOTHER DEVELOPING COUN-TRIES. IT WAS IMPORTANT, HOWEVER, FOR INDIA AND THE US TOMAIN-TAIN A DIALOGUE OUTSIDE MULTILATERAL FORUMS ON ECONOMIC ISSUES. BOTH SIDES SHOULD LAY THEIR CARDS ON THE TABLE IN BILATERAL EXCHANGES, THROUGH THE JOINT COMMISSION AS WELL AS BY INDIVIDUAL CONTACTS FROM TIME TO TIME.

9. THE FONSEC EMPHASIZED THAT THE US HAD A CONTINUING COMMITMENT AS A SUPERPOWER AND A SUPERPOWER AND A LEADER OF A MULTI-LATERAL GROUP. INDIA WAS STILL A MSA DEVELOPING COUNTRY AND IF IT WAS TO PLAYA USEFUL ROLE IT MUST HAVE THE CONFIDENCE OF OTHER DEVELOPING COUNTRIES. THIS WOULD INEVITABLY MEAN SOME PROBLEMS BETWEEN INDIA AND THE US IN THE ARA OF MULTILATERAL DIPLOMACY. THE OPEC COUNTRIES, FOR EXAMPLE, WERE VERYSENSITIE. INDIA'S GROUP INTEREST LAY WITHIN THE DEVELOPING COMMUNITY. MR. DUBS REPLIED THAT WHILE INDIA'S CRDIBILITY IN THE DEVELOPING WORLD WAS INDEED OF INTEREST TO THE US, IT SHOULD ALSO BE KEPT IN MIND THAT FROM TIME TO TIME VITAL INTERESTS OF THE US MIGHT ARISE ON SPECIFIC ISSUES, AND THE US PERCEPTION OF INDIA WOULD CLEARLY BE AFFECTED BY INDIAN POLICY ON SUCH ISSUES IN MULTILATERAL FORUMS.

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Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

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